

## **BILL ANALYSIS**

Senate Research Center  
87R6033 SLB-D

S.B. 720  
By: Schwertner  
Local Government  
3/26/2021  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The CLL MUD No. 1 was created in 2005 by the Texas Legislature and is located in Jarrell, Texas, which is in Senate District 5. At the time of creation, the CLL MUD No. 1 was planned to serve as a master district that would divide into smaller districts to facilitate development of large tracts of land.

Special District Local Laws Code, Chapter 8109 gave the CLL MUD No. 1 the power to divide. The CLL MUD divided in 2020 resulting in the CLL MUD No. 1A. However, the statute was interpreted to allow the original district to be divided only once.

This interpretation has resulted in a complex division process where the majority of undeveloped land within an existing district must be moved into the new district created by the division while the smaller area planned for development remains in the original district. For example, CLL MUD No. 1 was forced to transfer thousands of acres of land to CLL MUD No. 1A instead of only transferring the land needed for development.

S.B. 720 will clarify that CLL MUD No. 1 and 1A have the authority to continue dividing so that each new district can provide infrastructure to facilitate long-term development plans in the district's territory. This change will allow the majority of undeveloped land to stay in the original district so that any new district will contain only the acres needed for development, which will alleviate an unnecessary administrative burden.

As proposed, S.B. 720 amends current law relating to the division of the CLL Municipal Utility District No. 1 and districts created by the division of the CLL Municipal Utility District No. 1.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 8109.101(a), Special District Local Laws Code, to authorize the CLL Municipal Utility District No. 1 and a district created by the division of the original district to be divided under Section 8109.101 (Division of Districts; Prerequisites) more than once.

SECTION 2. Effective date: September 1, 2021.